

**Village of Salado  
Salado Municipal Building  
301 North Stagecoach Road  
Salado, Texas  
Minutes of Regular Meeting of Board of Aldermen  
May 16, 2019 at 6:30 p.m.**

The Board of Aldermen meeting was called to order at 6:31 p.m. by Mayor Skip Blancett.

Mayor Blancett gave the Invocation and the Board of Aldermen led the Pledge of Allegiance to the United States and Texas flags.

Board Members Present: Mayor Skip Blancett, Mayor Pro-tem Frank Coachman, Aldermen Andy Jackson, Michael Coggin, and Michael McDougal (via videoconference). Aldermen-elect John Cole and Amber Preston Dankert assumed duties after being sworn in. Alderman-elect Rodney W. Bell was not present.

Staff Present: Village Administrator Don Ferguson, City Secretary Cara McPartland, and Fire Chief Shane Berrier

### **Citizens Communications**

No citizen comments were heard.

### **1. Consent Agenda**

- A. Approval of minutes of the Regular Board of Aldermen meeting of May 2, 2019.
- B. Approval of minutes of the Special Board of Aldermen meeting of May 9, 2019.
- C. Approval of the April 2019 Financial Statements for the Village of Salado.
- D. Approval of an amendment to the FY 2019 General Fund Budget of the Village of Salado in the amount of \$4,500 for acquisition and installation of a new air conditioning unit for the Salado Police Department.
- E. Approval of an amendment to the FY 2019 General Fund Budget of the Village of Salado in the amount of \$34,279 for construction of a permanent connection to the Salado Wastewater System for the Stagecoach Inn.

Mayor Blancett entertained a motion for Consent Agenda Items 1A and 1B. Alderman Jackson moved to approved the Consent Agenda, as presented. Alderman Coggin seconded. Motion carried on a vote of 4-0.

Mayor Blancett entertained a motion for Consent Agenda Item 1C, 1D, and 1E. Alderman Jackson moved to approve the Consent Agenda, as presented. Alderman Coggin seconded. Motion carried on a vote of 4-0.

### **2. Discuss and Consider Action on Election Related Matters**

- A. Administer oaths of office to Aldermen-elect Amber Preston Dankert, John Cole, and Rodney W. Bell. (*Judge Don Engleking*)

Judge Engleking administered the oaths of office to Aldermen-elect Amber Preston Dankert and John Cole. Alderman-elect Rodney W. Bell was not present.

- B. Consider approval of a resolution of the Board of Aldermen of the Village of Salado, Texas, recognizing the public service rendered by Michael McDougal as an alderman for the Village of Salado, Texas. (*Mayor Skip Blancett*)

Mayor Pro-tem Coachman moved to approve the resolution, as presented. Alderman Coggin seconded. Motion carried on a vote of 4-0.

Alderman McDougal was present via videoconference. At Alderman McDougal's request, Mayor Blancett read a letter of appreciation thanking former and current Board members and Village Administrator Ferguson for their team work in accomplishing tremendous goals. He thanked each for their dependable dedication, patience, courage, and friendship. He felt the three incoming Board members will add their own personal leadership skills to the Board through continued team work.

Mayor Blancett read the resolution, presented it to outgoing Alderman McDougal (via videoconference), and thanked him for his service, particularly his important role in improving the Village's roads. Alderman McDougal thanked Mayor Blancett for his kind words and expressed appreciation to the citizens of Salado, who provided a lot of good advice during his years of service.

- C. Consider approval of a resolution of the Board of Aldermen recognizing the public service rendered by Andy Jackson as an alderman for the Village of Salado, Texas. (*Mayor Skip Blancett*)

Alderman Coggin moved to approve the resolution, as presented. Mayor Pro-tem Coachman seconded. Motion carried a vote of 4-0.

Mayor Blancett read the resolution and presented it to Alderman Jackson. Mayor Blancett spoke highly of Alderman Jackson's intelligence and experience and commended his many hours of service.

Mayor Pro-tem Coachman presented a plaque as a token of appreciation to outgoing Alderman Jackson for his service on the Board of Aldermen. Alderman Jackson echoed Alderman McDougal's remarks and said it has been a privilege to serve.

- D. Consider approval of an appointment of mayor pro tempore for a term of one (1) year. (*Mayor Skip Blancett*)

Alderman Coggin moved to appoint current Mayor Pro-tem Coachman to another term as mayor pro tempore for a term of one (1) year. Alderman Cole seconded. Motion carried on a vote of 4-0.

Aldermen Cole and Dankert assumed duties and took their places at the dais.

### **3. Village Administrator's Status Report**

- **Wastewater Project Update**

Village Administrator Ferguson reported that almost twenty percent of customers have made full or initial installment payments of impact fees, as the connection process continues. He said wastewater flows from the Stagecoach plant have been redirected to the Village's new treatment plant. He advised that design is almost complete on the Royal Street extension of wastewater lines to a planned subdivision, and incorporates the Methodist Church and Shelton properties. He noted that the old Stagecoach treatment plant has been decommissioned and removed ahead of schedule. He reported the process for permanent connection of the Stagecoach property is underway. He displayed photos of work performed as part of the decommissioning process.

- **Sales Tax Collections for the Village of Salado**

Village Administrator Ferguson reported receipt of the May 2019 sales tax check, representing March 2019 collections, in the amount of approximately \$52,000, up eleven (11) percent from the same period last year, and is the largest May check in the Village's history. He noted fiscal year-to-date collections are up about thirteen percent from the same period last year, and continue to run well ahead of budget.

- **Recent Salado Flooding**

This report was given after the Main Street Improvement Project.

Village Administrator Ferguson reported on May 3<sup>rd</sup> rainfall, creek cresting levels, street closures, and vehicles/homes affected by flood waters. He said property owners were issued warnings in order to prepare for movement to higher ground, if necessary. He displayed photos of low water crossings, Main Street bridge, Chisholm Trail, Mill Creek Drive culvert, Salado Creek upstream, and debris load carried by flood waters. He thanked TxDOT for its rapid response to the Main Street bridge closure and debris clean-up, but noted there was a problem with debris disposal that caused a damming effect downstream. He said that due to concerns regarding the timeline for TxDOT to resolve these problematic debris issues, the Village secured a contractor to remove the debris, which included large tree limbs. It was noted that high aquifer/ground saturation levels warrant the need for vigilance during rainfall events.

Discussion addressed needed gravel removal from Salado Creek, State permitting required for such removal, and conferring with Texas Parks & Wildlife on potential environmental impact. Relating to the wastewater line extension to new development, Alderman Coggin asked who would be paying for the design. Village Administrator Ferguson replied that construction would not start

until reimbursement/refunding agreements with property owners are in place, which would allow the Village to recover design costs. He noted the Methodist Church, the Sheltons, and the developer will pay pro-rata portions. Discussion established that there has been a good working relationship with Stagecoach Inn management during plant decommissioning. He stated that Capital Excavation recognizes the significance of Stagecoach Inn to the Village of Salado and the importance of minimizing any negative impact on businesses during the Main Street Improvement Project. Brief discussion between Village Administrator Ferguson and Alderman Coggin addressed implementation of the reverse 9-1-1 notification system in early June and conversations with certain east side properties on possible future expansion of wastewater lines.

- **Main Street Improvement Project**

Village Administrator Ferguson reported crews are finishing work on pre-construction site preparations, including tree protection. He explained the scope of work, which will progress in an "X" pattern starting on the west side of Main Street from south to north. He noted at least one lane will remain open on Main Street during construction, with one detour required at Main Street/Rock Creek. He urged extreme caution when parking in construction zone areas and advised that signage will be posted regarding parking.

In addition, Village Administrator Ferguson reminded that the Minimum Lot Size Task Force met this week and said a workshop is planned with the Board of Aldermen on June 4, 2019 at 6:00 p.m. He noted that a public informational meeting is also planned for June 11, 2019 to hear public input on the issue of minimum lot sizes.

#### **4. Public Hearings**

- A. Hold a public hearing on the proposed voluntary annexation of the Williams Road right-of-way from West Village Road to FM 2484 in Bell County, Texas. (*Village Administrator*)

Mayor Blancett explained public hearing procedures and opened the public hearing at 7:18 p.m. Village Administrator Ferguson provided information on the proposed annexation, including service plan details. For Agenda Items 4A-D, these are the second of two required public hearings.

Mayor Blancett announced the first, second, and third calls for speakers. Hearing no comments, Mayor Blancett closed the public hearing at 7:21 p.m.

- B. Hold a public hearing on the proposed voluntary annexation of Salado School Road right-of-way from West Village Road to Thomas Arnold Road in Bell County, Texas. (*Village Administrator*)

Mayor Blancett opened the public hearing at 7:22 p.m.

Village Administrator Ferguson explained the voluntary right-of-way annexation is needed to facilitate the annexation of existing Salado ISD properties near Thomas Arnold and Salado School Road. As with the previous agenda item, he reviewed the annexation service plan for the subject property.

Mayor Blancett announced the first, second, and third calls for speakers at 7:23 p.m. Hearing no comments, Mayor Blancett closed the public hearing at 7:23 p.m.

- C. Hold a public hearing on the proposed voluntary annexation of the Salado Independent School District properties located on Williams Road in Bell County, Texas. (*Village Administrator*)

Mayor Blancett opened the public hearing at 7:24 p.m.

Village Administrator Ferguson explained this item is needed to facilitate the annexation of existing Salado ISD properties on Williams Road. As with the two previous agenda items, he reviewed the annexation service plan for the subject property and noted the inclusion of additional interlocal agreements with the Salado ISD relating to the provision of School Resource Officer services on Salado ISD campuses, reimbursement for wastewater line extension, obligation of Sisd properties to connect to the wastewater system, waiver of impact fees, and future development/permitting fees.

Mayor Blancett announced the first call for speakers.

John Newman of 2221 Chisholm Trail asked that the Board reconsider waiving impact fees for Salado ISD, which he said will fall on the citizens of Salado.

Linda Reynolds of 507 Santa Rosa said there may be a certain logic to charging the school district an impact fee, even though it would come out of her pocket when she pays her school taxes. She felt that if the school district were charged an impact fee, it would also come out of everyone's pocket in the ETJ, which she said would help the Village out by participating in the financial soundness of our sewer system.

Mayor Blancett announced the second and third calls for speakers. Hearing no further speakers, Mayor Blancett closed the public hearing at 7:26 p.m.

- D. Hold a public hearing on the proposed voluntary annexation of the Salado Independent School District properties located on Salado School Road and Thomas Arnold Road in Bell County, Texas. (*Village Administrator*)

Mayor Blancett opened the public hearing at 7:27 p.m.

Village Administrator Ferguson explained the purpose of this item, and as with the previous Agenda Items 4A-C, he reviewed the annexation service plan and anticipated interlocal agreements.

Mayor Blancett opened the public hearing at 7:29 p.m. and announced the first, second, and third calls for public speakers. Hearing no comments, Mayor Blancett closed the public hearing at 7:29 p.m.

## 5. Discussion and Possible Action

- A. Discuss and consider possible action regarding the proposed abandonment and transfer of ownership of two (2) portions of right-of-way located northwest of the intersection of Royal Street and College Street in Salado, Texas. (*Village Administrator*)

Village Administrator Ferguson explained this request from Inn on the Creek owner Will Lowery to abandon and transfer ownership of the subject portions of right-of-way, as he has been paying property taxes on the property, despite title research indicating the subject portions are publicly owned. Village Administrator Ferguson noted that the properties are surrounded by private property on three sides and have no access to a public street or planned public use.

Will Lowery confirmed for Alderman Dankert that no construction is planned for the subject property. Village Administrator Ferguson stated that if the Board favors moving forward, staff will prepare a draft ordinance for future consideration. Discussion between Village Administrator Ferguson and Alderman Cole established that the subject property would be inside the historic overlay district and any future development would be required to comply with the district's development regulations, including reviews by the Planning and Zoning Commission, with input from the Salado Historic Society. Discussion addressed comparison of this item to a similar transfer/lease agreement requested by Barrow's Brewing property owners; ownership history of the subject property; possible future uses; development in floodway/plain; and estimated appraised value.

Alderman Coggin moved to direct staff to proceed with abandonment and transfer of ownership of two (2) portions of right-of-way located northwest of the intersection of Royal Street and College Street. Alderman Cole seconded. Motion carried on a vote of 4-0.

- B. Discuss and consider possible action regarding a proposed FY 2019 Operating Budget for the Salado Wastewater System. (*Village Administrator*)

Village Administrator Ferguson advised there is a need to approve an operating budget for the remainder of the current fiscal year (until September 30, 2019). He noted that monthly service fees are intended to cover annual operating costs. However, as initial customers are still in the process of connecting to the system, there will be a need to cover operating costs, until all customers are connected. He stated the budget should balance out when all customers are connected and anticipated a surplus with growth and lower than expected electrical costs. He advised the average monthly revenue when all customers are connected is anticipated to be about \$20,000.

Mayor Pro-tem Coachman moved to adopt the FY 2019 Operating Budget for the Salado Wastewater System, as presented. Alderman Cole seconded. Motion carried on a vote of 4-0.

- C. Discuss and consider possible action regarding a proposed FY 2020 Village of Salado Budget Calendar. (*Village Administrator*)

Village Administrator Ferguson presented the calendar and highlighted key meetings/dates for budget development and adoption. He said there will be a public call for comments from citizens, who are encouraged to attend meetings and/or submit comments on the proposed budget. The calendar included a special meeting on Wednesday, July 3, 2019, as the Board's regular meeting would fall on the July 4<sup>th</sup> holiday.

Alderman Coggin moved to adopt the FY 2020 Village of Salado Budget Calendar, as presented. Alderman Dankert seconded. Motion carried on a vote of 4-0.

- D. Discuss and consider possible action setting the date, time and place for the FY 2020 Village of Salado Goals and Priorities Workshop. (*Village Administrator*)

Village Administrator Ferguson recommended holding this 2 to 3-hour workshop as early as possible in the budget development process.

After discussion of various options, Mayor Pro-tem Coachman moved to approve Saturday, June 22, 2019 as the date to hold the FY 2020 Goals and Priorities Workshop. Alderman Coggin seconded. Motion carried on a vote of 4-0.

- E. Discuss and consider possible action designating signatories for the Village of Salado's bank accounts. (*Village Administrator*)

Village Administrator Ferguson recommended designating the Mayor, Mayor Pro-tem, and the Village Administrator as signatories, as two signatures are required on all Village checks. Alderman Dankert said it might be prudent to designate a fourth signatory.

Mayor Pro-tem Coachman moved to approve designating the Mayor, Mayor Pro-tem, Village Administrator and in addition, Alderman Coggin, as signatories for the Village of Salado's bank accounts. Alderman Cole seconded. Motion carried on a vote of 4-0.

- F. Discuss and consider possible action regarding plans for the Salado Rotary Club BBQ Cookoff on May 25, 2019. (*Village Administrator*)

Village Administrator Ferguson presented the plans submitted by the Salado Rotary Club. Event organizer Deanna Whitson provided details and encouraged participation in this family-friendly fundraising event.

Alderman Cole moved to approve plans for the Salado Rotary Club BBQ Cookoff on Saturday, May 25, 2019. Mayor Pro-tem Coachman seconded. Discussion between Village Administrator Ferguson and Alderman Cole emphasized that TxDOT's contractor is aware of community events and will make every effort to plan around such events and minimize any negative impact. Motion carried on a vote of 4-0.

- G. Discuss and consider possible action regarding a proposed lease agreement with Capital Excavation for use of Village right-of-way located at the intersection of Center Circle and Royal Street. (*Village Administrator*)

Village Administrator Ferguson explained that Capital Excavation proposes to use the property as a construction office/yard. The property was formerly used by McLean Construction during wastewater system construction. He said the lease would be at no cost to Capital Excavation. He recommended approval of the proposed lease with the addition of an indemnification clause to provide protection to the Village and a provision to allow the Village to terminate the lease with not less than 30 days written notice to Capital Excavation.

Alderman Coggin moved to approve the proposed lease agreement, as presented, including authorizing Village Administrator Ferguson to execute the contract, and addition of the two aforementioned recommended provisions relating to indemnification and agreement termination. Mayor Pro-tem Coachman seconded. Motion carried on a vote of 4-0.

## 6. Workshop

- A. Discuss and consider issues relating to the possible appointment of an associate judge for the Salado Municipal Court. (*Village Administrator*)

Village Administrator Ferguson introduced Salado Municipal Court Presiding Judge Don Engleking, who spoke on the benefits of the associate judge position as a back-up, if needed, in the event the presiding judge has schedule conflicts or requires recusal. He advised there would be certification and ongoing training costs. Discussion addressed sharing of flat monthly compensation and costs associated with new judge training. Judge Engleking recommended a training period, if the Board approves an associate judge. Discussion continued on interest expressed in the associate judge position, the interview process, and training specific to municipal courts. Mayor Pro-tem Coachman favored staff presentation of a proposal to appoint an associate judge that includes involvement of Judge Engleking in the interview process.

- B. Discuss and consider issues relating to the possible creation of an emergency services district to fund fire services in the Salado area. (*Village Administrator*)

John Newman of 2221 Chisholm Trail supported creation of an emergency services district (ESD) and said he can have a petition ready to go with 100 signatures within 72 hours.

Village Administrator Ferguson spoke of the history of the Salado Volunteer Fire Department and increasing demands placed on its personnel, in particular, Fire Chief Shane Berrier. He said an ESD could provide a better foundation for growing needs and an increased level of service, which may mean having a core group of paid employees supplemented by volunteers. He explained that an ESD is a limited purpose taxing district to help fund fire protection and/or EMS services. He said the following questions need to be answered when considering creation of an ESD:

- Why create an ESD?
- Will an ESD provide the legal authority to provide a funding source to meet manpower and equipment needs?
- Is there adequate support for creation of an ESD?



He said voters will be responsible for creating an ESD. Procedurally, boundaries of the ESD service area need to be identified, as well as anticipated property tax base, and current and projected expenditures. With such a sizeable service area of taxable properties, a large tax would not be needed to generate sufficient revenue. He spoke of the need to compare income potential to probable expenditures and solicit feedback from Bell County's judge/commissioners, Bell County Clerk, Bell County Appraisal District, Bell County Tax Assessor Collector, and affected fire/EMS providers.

Village Administrator Ferguson outlined the following steps in creating an ESD:

- Identify organized groups in support and opposition of creation of an ESD
- Consult with specialized legal counsel to help with the creation process
- Present petition to Bell County Commissioners Court
- Hold public hearings
- Call and hold an election
- Appointment of an ESD Board, if ESD creation is approved by voters
- Look at timeframe for placing ESD creation on the May or November 2020 ballots

A map was displayed of the service area, which is significant in size. Fire Chief Berrier said that an ESD could provide enough revenues to support paid personnel and equipment purchases.

### Adjournment

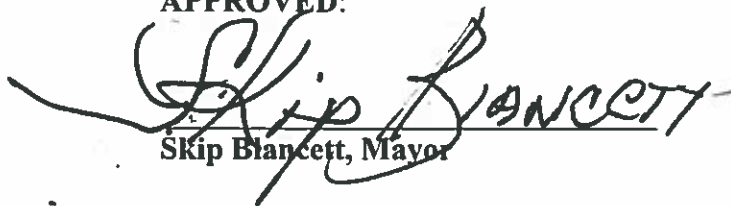
Alderman Dankert moved to adjourn. Alderman Coggin seconded. Mayor Blancett called the meeting adjourned at 8:40 p.m.

Recorded by:

Cara McPartland

These minutes approved on the 6<sup>th</sup> of June, 2019.

APPROVED:

  
Skip Blancett, Mayor

ATTEST:

  
Cara McPartland, City Secretary

